

Message Text

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INFO AMEMBASSY BONN

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E.O. 11652: N/A

TAGS: OREP, PFOR, ETRD, EEC, US

SUBJECT: CODEL FRASER: MEETINGS IN BRUSSELS

1. SUMMARY: DURING THEIR VISIT TO BRUSSELS, THE MEMBERS OF THE CODEL HELD EXTENSIVE MEETINGS WITH THE EC COMMISSION AND ALSO MET WITH THE EC PERMANENT REPRESENTATIVES TO DISCUSS US-EC RELATIONS. IN THEIR MEETINGS WITH COMMUNITY OFFICIALS, THE CONGRESSMEN REASSURED THEM OF CONTINUED SUPPORT IN THE US CONGRESS FOR THE EC AND EUROPEAN UNITY. THEY POINTED OUT, HOWEVER, THAT IN VIEW OF THE PRESENT DIFFICULTIES IN US-EC RELATIONS, A MORE SATISFACTORY OFFER ON ARTICLE XXIV-6 WAS A DESIRABLE GESTURE ON THE PART OF THE EC AND EVEN ESSENTIAL FOR PASSAGE OF THE TRADE REFORM ACT. BOTH ORTOLI AND SOAMES EXPLAINED THAT THE COMMUNITY WAS STILL MOVING TOWARD A

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EUROPEAN UNION AND THAT THE US SHOULD REALIZE THIS AND

UNDERSTAND THE DIFFICULTIES THE EUROPEANS FACE IN TRYING TO SPEAK WITH ONE VOICE. IN THIS CONNECTION THEY BOTH STRESSED THE IMPORTANCE OF EXISTING US-EC CONSULTATIVE ARRANGEMENTS ON COMMUNITY SUBJECTS BUT AGREED ON THE NEED TO IMPROVE AND STRENGTHEN THEM. SOAMES SUGGESTED THAT A FORMULA FOR DEALING WITH THE PRESENT DEBATE ABOUT CONSULTATION MIGHT BE TO "EXTEND THE DIALOGUE" AGREED UPON IN THE 1962 PARIS SUMMIT COMMUNIQUE TO COVER POLITICAL CO-OPERATION. OTHER SUBJECTS DISCUSSED WERE ENERGY, AGRICULTURE, EC PREFERENTIAL TRADING ARRANGEMENTS, MONETARY QUESTIONS AND DEVELOPMENT AID. END SUMMARY.

2. CODEL FRASER CONSISTING OF REPRESENTATIVES FRASER (WHO ARRIVED ON MARCH 19), GIBBONS (WHO LED THE GROUP UNTIL FRASER'S ARRIVAL), FRELINGHUYSEN, REUSS, BURKE, YATRON, GUDE AND RYAN ARRIVED LATE ON MARCH 17 AND DEPARTED BRUSSELS THE MORNING OF MARCH 20 FOR FLORENCE, WHERE THE CODEL IS HAVING ONE OF ITS REGULAR EXCHANGE VISITS WITH A DELEGATION FROM THE EUROPEAN PARLIAMENT. DURING THEIR TWO WORKING DAYS IN BRUSSELS, THE CODEL MET WITH AMBASSADOR GREENWALD FOR A BRIEFING ON US-EC RELATIONS AND THE STATE OF THE COMMUNITY, AND WITH AMBASSADOR RUMSFELD FOR A DISCUSSION OF ALLIANCE QUESTIONS. THE CONGRESSMEN SPENT ONE FULL DAY IN MEETINGS AT THE EC COMMISSION AND, IN ADDITION, HELD, FOR THE FIRST TIME, A MEETING WITH THE EC PERMANENT REPRESENTATIVES.

3. AT THE EC COMMISSION, THE CODEL MET SEPARATELY IN PLENARY SESSIONS WITH PRESIDENT ORTOLI (FOR A GENERAL DISCUSSION), VICE PRESIDENT SOAMES (EC-US RELATIONS), VICE PRESIDENT SIMONET (ENERGY), AND COMMISSIONER LARDINOIS (AGRICULTURE). THE CODEL SPLIT UP INTO TWO GROUPS TO PARTICIPATE IN INFORMAL PARALLEL DISCUSSIONS WITH COMMISSIONERS BORSCHETTE (MULTI-NATIONAL CORPORATIONS) AND GUNDELACH (GENERAL TRADE QUESTIONS), AND VICE PRESIDENT HAERKAMP (MONETARY) AND COMMISSIONER CHEYSSON (DEVELOPMENT AID). THE HIGHLIGHTS OF THE MORE IMPORTANT ASPECTS OF THESE VARIOUS DISCUSSIONS AT THE COMMISSION AND WITH THE PERM REPS ARE GIVEN BELOW. MORE DETAILED MEMCONS ON THE SEVERAL MEETINGS WILL FOLLOW BY POUCH.

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4. US-EC RELATIONS: THE CONGRESSMEN INDICATED SOME PUZZLEMENT OVER THE "SHOUTING" ACROSS THE ATLANTIC DURING THE PAST TWO WEEKS. THEY REASSURED THE COMMISSION AND PERM REP OFFICIALS THAT THERE CONTINUED TO BE CONSIDERABLE SUPPORT IN THE US CONGRESS FOR THE EUROPEAN COMMUNITY AND EUROPEAN UNITY IN GENERAL. THE PERM REPS AND THE COMMISSIONERS STRESSED THE IMPORTANCE THEY ATTACHED TO

GOOD EC-US RELATIONS. PRESIDENT ORTOLI EMPHASIZED THAT WHILE DIFFERENCES EXISTED BETWEEN US, EUROPE'S ATTITUDE WAS NOT BASED ON OPPOSITION TO THE US. IN FACT, OUR RELATIONSHIP WAS BASED ON COMMON INTERESTS. ORTOLI POINTED OUT THAT COOPERATION BETWEEN THE US AND EUROPE HAS BEEN FAR BETTER THAN EITHER SIDE HAS SOMETIMES BEEN WILLING TO ADMIT. HE THEN DESCRIBED EXISTING ARRANGEMENTS AND PRACTICES COVERING US-EC CONSULTATIONS AND COOPERATION ON PROBLEMS OF MUTUAL INTEREST IN THE COMMUNITY'S AREA OF COMPETENCE.

5. SOAMES DEPLORED THE PUBLIC EXCHANGES ACROSS THE ATLANTIC IN RECENT WEEKS. ACCORDING TO SOAMES, AN IMPORTANT FACTOR CONTRIBUTING TO MISUNDERSTANDINGS AND DIFFICULTIES BETWEEN THE US AND THE EC WAS THE ASSUMPTION ON THE PART OF MANY IN THE US THAT ALREADY "EUROPE IS EUROPE" AND SPEAKS WITH ONE VOICE. IT DOES SO ON TRADE QUESTIONS BUT NOT YET IN FOREIGN POLICY. LIKE ORTOLI, SOAMES EMPHASIZED THAT A FAIRLY CONSISTENT US-EC DIALOGUE HAS BEEN UNDER WAY ON TRADE MATTERS INVOLVING THE US AND THE EC (HE MENTIONED THE CASEY/SOAMES CONSULTATIONS AS ONE CHANNEL). HE SAID WE MUST EXTEND THIS DIALOGUE INTO OTHER SPHERES, WHETHER WE CALLED IT "CONSULTATION" OR NOT. (WE UNDERSTAND THAT SOAMES HAS ADVANCED THIS IDEA WITH HMG IN LONDON ALSO.) SOAMES CONCLUDED THAT WE MUST DO OUR BEST TO EXTEND THE AREA OF DIALOGUE BETWEEN US, ALTHOUGH IT HAD TO BE DONE GRADUALLY AS EUROPE TAKES OVER MORE RESPONSIBILITIES FOR ITSELF.

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6. THE SUBJECT OF US-EC RELATIONS, AND IN PARTICULAR, THE QUESTION OF CONSULTATIONS, ALSO CAME UP DURING THE ONE-HOUR DISCUSSION WITH THE EC PERMANENT REPRESENTATIVES. RESPONDING TO A QUESTION, FRENCH PERM REP BURIN DES ROZIERES GAVE THE STANDARD FRENCH LINE THAT IT WAS NOT POSSIBLE TO USE THE WORD "PARTNERSHIP" IN THE PROPOSED EC-US DECLARATION SINCE NO SUCH WORD EXISTED IN THE FRENCH LANGUAGE. BURIN DES ROZIERES THEN WENT ON TO SAY THAT THE EXISTING CONSULTATIVE ARRANGEMENTS BETWEEN THE US AND THE COMMUNITY (NORMAL DIPLOMATIC EXCHANGES AT CAPITALS AND THROUGH THE US MISSION), WERE QUITE REAL AND EFFECTIVE. HE ADMITTED THAT NONETHELESS THE QUESTION OF CONSULTATIONS POSED A DIFFICULT PROBLEM. ON THE ONE HAND YOU HAD THE US, ONE GOVERNMENT, AND ON THE OTHER THE COMMUNITY, CONSISTING OF NINE GOVERNMENTS WHICH HAD NOT YET ACHIEVED UNITY. IF THE EC ACCEPTED THE CONCEPT OF LIMITED OFFICIAL USE

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ADVANCE CONSULTATION, THIS WOULD MEAN THAT THE US WOULD PARTICIPATE IN THE EC DECISION-MAKING PROCESS AND THIS THE COMMUNITY COULD NOT ACCEPT. BURIN ARGUED THAT IN ANY CASE THERE WAS NO PRACTICAL PROBLEM SINCE AS A RESULT OF THE DAILY CONTACT AND EXCHANGE OF INFORMATION HE DOUBTED VERY MUCH THAT THE USG WAS EVER TAKEN BY SURPRISE AS A RESULT OF EC DECISIONS.

7. GATT ARTICLE XXIV:6 AND PREFERENCES: THE CONGRESSMEN WERE OBVIOUSLY WELL BRIEFED ON THE QUESTION OF ARTICLE XXIV:6. CONGRESSMAN GIBBONS RAISED THE QUESTION WITH THE PERM REPS AND ALSO WITH ORTOLI AND SOAMES. A FAIRLY EXTENSIVE DISCUSSION ALSO TOOK PLACE WITH COMMISSIONER LARDINOIS. SPEAKING FOR THE PERM REPS, GERMAN AMBASSADOR LEBSANFT SAID THE QUESTION WAS NOW UP TO THE COMMISSION WHICH WAS TO REPORT TO THE EC COUNCIL ON APRIL 1. GIBBONS PRESSED SOAMES CLOSELY, ON THE GROUNDS HE WOULD BE APPEARING BEFORE THE SENATE FINANCE COMMITTEE NEXT WEEK IN SUPPORT OF THE TRADE BILL AND WOULD HAVE TO EXPLAIN TO SENATOR LONG WHERE ARTICLE XXIV:6 STOOD. SOAMES REPLIED IN THE AFFIRMATIVE TO HIS QUESTION WHETHER THE COMMUNITY'S ANSWER WOULD BE READY BEFORE SUMMER. CONGRESSMAN REUSS COMMENTED THAT IF THE COMMUNITY WOULD BE

FORTHCOMING ON ARTICLE XXIV:6, THIS WOULD BE A BIG HELP, NOT ONLY WITH RESPECT TO THE TRADE BILL, BUT IN IMPROVING THE ATMOSPHERE OF US-EC RELATIONS GENERALLY.

8. IN DISCUSSING ARTICLE XXIV:6 WITH LARDINOIS, THE CONGRESSMEN REFERRED TO THE STRONG VIEWS IN CONGRESS CONCERNING THE EC'S PREFERENTIAL ARRANGEMENTS WITH COUNTRIES IN THE MEDITERRANEAN AND AFRICA WHICH DISCRIMINATE AGAINST THE US. THEY WELCOMED THE INDICATION BY LARDINOIS THAT THE EC IS NOT PRESSING ITS POSITION ON REVERSE PREFERENCES IN THE NEGOTIATIONS WITH THE AFRICAN AND COMMONWEALTH ASSOCIATES AND ASSOCIABLES. (LARDINOIS SUBSEQUENTLY ADMITTED THAT THIS POSITION HAD NOT BEEN FORMALLY ADOPTED AS YET BY THE EC COUNCIL.) CONGRESSMAN GIBBONS CITED THE EC PREFERENTIAL CITRUS ARRANGEMENTS WITH CERTAIN MEDITERRANEAN COUNTRIES AS ONLY ONE ASPECT OF THE GENERAL POLICY OF EC PREFERENCES WHICH CAUSES DIFFICULTY IN THE US. HE POINTED OUT THAT THE CONGRESS IS VERY MUCH CONCERNED ABOUT THIS ISSUE WHICH HAS A STRONG INFLUENCE ON THE OUTCOME OF THE US TRADE LIMITED OFFICIAL USE

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BILL AND COULD LEAD TO PRESSURES IN THE CONGRESS TO TAKE SIMILAR PREFERENTIAL ACTIONS IN RETALIATION. WITH RESPECT TO CITRUS, LARDINOIS CLAIMED IT WAS SUCH A SMALL PROBLEM THAT IT SHOULD NOT BE ALLOWED TO POISON US-EC RELATIONS. THE CONGRESSMEN ARGUED THAT FOR THE SAME REASONS, THE COMMUNITY SHOULD BE MORE FORTHCOMING AND TAKE US INTERESTS INTO ACCOUNT. CONGRESSMAN REUSS SUMMED UP THE VIEWS OF THE DELEGATION BY STATING THAT THE ISSUE OF PREFERENCES SHOULD NOT BE VIEWED IN NARROW LEGALISTIC TERMS. THE PREFERENCES WERE CLEARLY NOT IN THE SPIRIT OF THE GATT, EVEN THOUGH THEY MIGHT CONFORM WITH ITS LETTER.

9. ENERGY: IN DISCUSSING ENERGY, THE COMMISSION SPOKESMEN ALL REFERRED TO THE DISPARITY BETWEEN THE RELATIVELY LIMITED EXTENT OF US DEPENDENCE ON OUTSIDE OIL RESOURCES AND THE EC'S ALMOST TOTAL DEPENDENCE ON IMPORTS, WHICH LED TO DIFFERENCES IN OUR RESPECTIVE APPROACHES TO THE ENERGY PROBLEM. SIMONET POINTED OUT HE BELIEVED FIRMLY IN COOPERATION AMONG THE PRINCIPAL CONSUMING COUNTRIES AND HAD STRONGLY SUPPORTED THE INITIATIVES TAKEN BY THE US (WHICH REFLECTED HIS OWN THINKING ON HOW TO PROCEED IN DEALING WITH THE ENERGY PROBLEM). THE FACT THAT EIGHT OF THE EC MEMBER STATES WERE PARTICIPATING IN THE FOLLOW-UP WORK TO THE WASHINGTON ENERGY CONFERENCE DID NOT MEAN, HOWEVER, THAT THE NINE SHOULD NOT CONTINUE TO WORK FOR A COMMON COMMUNITY ENERGY POLICY. IN THIS CONNECTION, HE THOUGHT IT WOULD BE USEFUL TO COORDINATE THE ACTIVITIES OF THE ENERGY COORDINATING GROUP AND OF THE EC. BOTH SIMONET AND GUNDELACH TRIED TO REASSURE THE CONGRESSMEN THAT THE EC'S PROPOSALS REGARDING ECONOMIC COOPERATION WITH THE

ARABS SHOULD NOT UPSET US PEACE EFFORTS IN THE MIDDLE EAST.
THEY ARGUED THAT ANY MEETING WITH ARAB FOREIGN MINISTERS
WOULD BE LATE THIS YEAR AT THE EARLIEST AND IT WAS EVEN
POSSIBLE THAT A MEETING MIGHT NEVER TAKE PLACE. SIMONET
THOUGHT US CRITICISM OF THE EC ON THIS ISSUE WAS UNFORTUNATE
BECAUSE IT HAD STRENGTHENED THE HAND OF THOSE WHO ARE
OPPOSED TO INTERNATIONAL COOPERATION IN THE FIELD OF ENERGY.
GREENWALD

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